Agenda

1. Context
2. Research
3. Learnings
4. Application
5. Further information
In 2009 the Ministry of Tourism commissioned a major study of the domestic tourism market

Why?

Domestic tourism is important to our industry and to our economy and we don’t have the knowledge we need to effectively develop this market
In 2009, domestic tourism contributed $12.4 billion to New Zealand’s economy, of which almost $9.7 billion came from domestic households.
At almost $9.7 billion, total tourism-related expenditure by domestic households was $0.375 billion higher than total expenditure by international visitors.
Domestic tourism also...

- Sustains tourism businesses through international off-peak months
- Sustains tourism businesses through periods of global economic downturn
- Provides a vital ‘training ground’ on which to build capability and become export-ready
Between 1999 and 2008, domestic market share (share of total nights spent by New Zealand residents in domestic/offshore destinations) declined by 17.8%.
• Improve the sector’s understanding of the domestic tourism market

• **Segment** the domestic market in a way that is practical and meaningful for tourism marketers

• Demonstrate the significance of the domestic tourism market and its key market segments

• Inform policy and other work undertaken by local and central Government stakeholders
Research

• Improve the sector’s understanding of the domestic tourism market

• **Segment** the domestic market in a way that is practical and meaningful for tourism marketers

  Market segmentation allows tourism organisations to focus their resources on those potential customers who are most likely to be persuaded to visit/re-visit their destination or to purchase their product or service

• Demonstrate the significance of the domestic tourism market and its key market segments

• Inform policy and other work undertaken by local and central Government stakeholders
• Encourage overall sector growth (not merely competition for market share)

• Foster differentiation both at a regional and operator level

• Encompass day and overnight trips

• Explore the relationship between business and leisure travel (but exclude consideration of the drivers of business travel)

• Consider domestic tourism in the context of international travel and expenditure on other (competing) discretionary items
Research

STAGE 1: FOUNDATION
Secondary Research & Analysis

STAGE 2: UNDERSTANDING
Qualitative Research

STAGE 3: MEASUREMENT
Online Survey

STAGE 4: ANALYSIS
Market Segmentation

STAGE 5: APPLICATION
Industry Communications
# Research

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<tr>
<th>STAGE 1: FOUNDATION</th>
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<th>STAGE 4: ANALYSIS</th>
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<tr>
<td>Research &amp; Analysis</td>
<td>Qualitative Research</td>
<td>Online Survey</td>
<td>Market Segmentation</td>
<td>Communications</td>
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## Objectives

| To inform later stages by investigating international market segmentation models; confirming size and structure of the domestic tourism market; and identifying possible enablers/barriers to domestic travel. | As input to later survey design: to provide a thorough and in-depth understanding of New Zealanders’ needs, attitudes and language as they relate to domestic travel and competing activities/expenditure. | As the basis for later segmentation: to compile a robust database of information on domestic travel needs and behaviour, and perceptions of travel destinations, from a representative sample of New Zealand residents. | To segment the New Zealand population in a manner and to identify: segment sizes and characteristics and ways in which each segment can be usefully influenced. | To inform key stakeholders on the findings of the domestic tourism research and how best to implement it. |
## Research

<table>
<thead>
<tr>
<th>Method</th>
<th>Stage 1: Foundation</th>
<th>Stage 2: Understanding</th>
<th>Stage 3: Measurement</th>
<th>Stage 4: Analysis</th>
<th>Stage 5: Application</th>
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<tbody>
<tr>
<td>1. Comprehensive review of NZ and international research and literature.</td>
<td>Research &amp; Analysis</td>
<td>Qualitative Research</td>
<td>Online Survey</td>
<td>Market Segmentation</td>
<td>Communications</td>
</tr>
<tr>
<td>2. Review and analysis of existing research and data relating to domestic and international travel behaviour.</td>
<td>Qualitative Research</td>
<td>Online Survey</td>
<td>Market Segmentation</td>
<td>Communications</td>
<td>Reporting, presentations, database and other activity ongoing</td>
</tr>
</tbody>
</table>

### Stage 1: Foundation
- Research & Analysis

### Stage 2: Understanding
- Qualitative Research

### Stage 3: Measurement
- Online Survey

### Stage 4: Analysis
- Data analysis involving eight discrete stages:
  - Analysis goals
  - Segmentation inputs
  - Data transformation
  - Imputation
  - Principal component analysis
  - Market segmentation
  - Solution validation
  - Segment profiling

### Stage 5: Application
- Communications
Learnings

STAGE 1: FOUNDATION
Secondary Research & Analysis

STAGE 2: UNDERSTANDING
Qualitative Research

STAGE 3: MEASUREMENT
Online Survey

STAGE 4: ANALYSIS
Market Segmentation

STAGE 5: APPLICATION
Communications
Confirmed a relationship of substitution exists between domestic and outbound visitor nights, with the combined total consistent over time.
Learnings (Stage One)

Confirmed domestic destinations have been losing market share to offshore destinations over the last decade.

![Bar chart showing the trend of outbound and domestic nights from 1999 to 2008. The chart shows a decrease in domestic nights and an increase in outbound nights over the years.](chart_url)
Learnings (Stage One)

Confirmed the age profile of the domestic leisure travel market is changing, with younger people accounting for a diminishing share of domestic holiday/VFR nights.
Learnings (Stage One)

Confirmed the seasonal profile is changing as well: in 2008 Q1 (summer) accounted for a smaller share of domestic holiday/VFR nights than it did in 1999 and more activity had shifted to Q4 (spring)
Learnings (Stage One)

Confirmed some regional differences in the travel patterns of New Zealand residents. For example, in outbound travel...
Learnings (Stage One)

And in domestic overnight trips...

[Bar chart showing the proportion of NZ population (2006) and the proportion of overnight domestic trips (2006-2008) for various regions of New Zealand.]

Proportion of NZ Population (2006) is shown in blue, and the Proportion of Overnight Domestic Trips (2006-2008) is shown in green.

Regions from top to bottom:
- Northland Region
- Auckland Region
- Waikato Region
- Bay of Plenty Region
- Gisborne Region
- Hawke's Bay Region
- Taranaki Region
- Manawatu...
- Wellington Region
- West Coast Region
- Canterbury Region
- Otago Region
- Southland Region
- Tasman Region
- Nelson Region
- Marlborough Region

The chart compares the population proportion to the proportion of overnight domestic trips for each region, with Auckland Region showing the highest proportion in both categories. The chart is credited to ANGUS & ASSOCIATES, THE KNOWLEDGE WAREHOUSE, and TOURISM RESOURCE CONSULTANTS.
Learnings (Stage One)

**External Factors**
(e.g. choices available, airline competition, destination marketing)

**Internal Factors**
(e.g. changing consumer needs and attitudes)

**Domestic Market**

**Local Product & Marketing**
(e.g. appeal/relevance, pricing)
Learnings (Stage One)

From this analysis we concluded that:

• Age and life stage are likely to be significant factors in a segmentation of New Zealand’s domestic tourism market

• Other demographic AND psychographic factors are also likely to be important – either as enablers or as barriers to domestic tourism activity
Learnings

STAGE 1: FOUNDATION
Secondary Research & Analysis

STAGE 2: UNDERSTANDING
Qualitative Research

STAGE 3: MEASUREMENT
Online Survey

STAGE 4: ANALYSIS
Market Segmentation

STAGE 5: APPLICATION
Communications
Learnings (Stage Two)

The qualitative research told us that:

- People consider holidays and leisure travel **essential** to their lives

- They provide experiences which help to shape who we are and to define our values

- They provide dedicated time and space for us to do what we want, when we want, with whom we want – free of everyday cares and responsibilities

- They are linked to our hopes and dreams

- They add **colour** to our lives

- They satisfy fundamental human needs
Learnings (Stage Two)

These fundamental human needs are:

- to **BE** carefree, safe, secure, valued

- to **BECOME** something more than we are: through challenge and discovery we develop confidence, empathy and self-worth

- to **BELONG**: to find our place in the world, to be content with ourselves and connected with others
Learnings (Stage Two)

While these needs are important to us all, the emphasis tends to shift through the lifecycle stages and, with it, our holiday needs.

Familiar and Safe
(peaceful, relaxing, fun)

Unfamiliar and Challenging
(big, complex, different, unique)

Old Age
Birth

BELONG

BE

BECOME
Learnings (Stage Two)

- New Zealand is seen to have a natural fit with holidays where we just want to BE

- It provides limited options for challenge and discovery – UNLESS we challenge ourselves in the natural environment (skiing, sailing, mountain biking, etc.)

- Even then, to BECOME, we aspire to ever-bigger, ever-better, ever-richer and more challenging experiences
Learnings (Stage Two)

- Home
- Familiar
- Other New Zealand
- Australia, Pacific
- Europe, America
- Third world
- The Final Frontier?
- Unfamiliar

- Short Break
- Holiday
- A ‘Proper’ Holiday

- Pastimes
- Hobbies
- Enjoyable experiences
Learnings (Stage Two)

Opportunistic
triggered by events, other people, business travel, destination marketing

Purposeful
triggered by our own needs or personal circumstances
STAGE 1: FOUNDATION
Secondary Research & Analysis

STAGE 2: UNDERSTANDING
Qualitative Research

STAGE 3: MEASUREMENT
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STAGE 4: ANALYSIS
Market Segmentation

STAGE 5: APPLICATION
Communications
Learnings (Stages 3 & 4)

As context for a segmentation of the domestic tourism market, it is worthwhile considering the travel patterns of all New Zealand (adult) residents

1/2
• of all adults take at least one Day Trip each month to visit family or friends
• of all adults take at least one Day Trip each month to go shopping

1/3
• of all adults take at least one Day Trip each month to attend an event held by family or friends
• one in three adults takes at least one Day Trip each month for a break away from home

1/2
• almost half of all adults take at least one Short Break (of 5 nights or less) in NZ each year

1/4
• one quarter take a Longer Holiday (of 6 nights or more) in NZ each year

1/4
• one quarter take an International Break or Holiday each year
Learnings (Stages 3 & 4)

Incidence of Trips by Trip Type

- **DAY TRIPS (Last 4 Weeks)**
  - For business or work: 28%
  - For study or education: 11%
  - To attend an event held by family/friends: 32%
  - To attend another event: 21%
  - To visit friends or family: 21%
  - To go shopping: 55%
  - To see or do something specific: 40%
  - Simply to take a break away from home: 52%

- **DOMESTIC OVERNIGHT TRIPS (Last 12 Months)**
  - Only for business purposes: 15%
  - Only for study/education: 5%
  - Only to attend an event held by family/friends: 30%
  - For a break or holiday: 49%
    - > short break (5 nights or less): 24%
    - > longer holidays (> 5 nights): 25%

- **INTERNATIONAL TRIPS (Last 12 Months)**
  - Only for business purposes: 4%
  - Only for study/education: 1%
  - Only to attend an event held by family/friends: 5%
  - For a break or holiday: 25%
Learnings (Stages 3 & 4)

When frequency of trips is taken into account, the average New Zealand adult takes...

<table>
<thead>
<tr>
<th>Frequency</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.8</td>
<td>• Day trips each month to go shopping</td>
</tr>
<tr>
<td>2.4</td>
<td>• Day trips each month to visit friends or family</td>
</tr>
<tr>
<td>1.2</td>
<td>• Day trips each month simply to take a break away from home</td>
</tr>
<tr>
<td>0.7</td>
<td>• Overnight trips in New Zealand for business each year</td>
</tr>
<tr>
<td>1.0</td>
<td>• Overnight trips in New Zealand each year to attend an event held by family or friends</td>
</tr>
<tr>
<td>2.5</td>
<td>• Overnight trips in New Zealand each year for a break or holiday</td>
</tr>
</tbody>
</table>
Learnings (Stages 3 & 4)

Average Trips Per Person by Trip Type

**DAY TRIPS (Last 4 Weeks)**
- For business or work: 2.5
- For study or education: 0.8
- To attend an event held by family/friends: 0.7
- To attend another event: 0.5
- To visit friends or family: 1.6
- To go shopping: 1.2
- To see or do something specific: 1.0
- Simply to take a break away from home: 0.8

**DOMESTIC OVERNIGHT TRIPS (Last 12 Months)**
- Only for business purposes: 2.4
- Only for study/education: 2.8
- Only to attend an event held by family/friends: 1.9
- For a break or holiday: 1.6
  - Short break (5 nights or less): 1.2
  - Longer holidays (> 5 nights): 0.6

**INTERNATIONAL TRIPS (Last 12 Months)**
- Only for business purposes: 2.4
- Only for study/education: 1.9
- Only to attend an event held by family/friends: 1.1
- For a break or holiday: 0.4
  - Short break (5 nights or less): 0.1
  - Longer holidays (> 5 nights): 0.0
However, these figures disguise enormous variation in travel patterns, which are shaped on an individual basis by a range of demographic and psychographic factors.
Learnings (Stages 3 & 4)

Average Trips Per Annum by Age Group

% of sample  Outbound Holiday (avg p.a.)  NZ Short Break (avg p.a.)  NZ Holiday (avg p.a.)

15-19 years  20-24 years  25-29 years  30-34 years  35-39 years  40-44 years  45-49 years  50-54 years  55-59 years  60-64 years  65-69 years  70-74 years  75 years+

0.0  0.5  1.0  1.5  2.0  2.5  3.0

0.0%  2.0%  4.0%  6.0%  8.0%  10.0%  12.0%
Average Trips by Gender (Last 12 Months)

- % of sample
- Intnl Holiday (avg p.a.)
- NZ Short Break (avg p.a.)
- NZ Holiday (avg p.a.)

Female:
- Intnl Holiday: ~10%
- NZ Short Break: ~40%
- NZ Holiday: ~20%

Male:
- Intnl Holiday: ~5%
- NZ Short Break: ~30%
- NZ Holiday: ~15%
Learnings (Stages 3 & 4)

Average Trips by Region of Origin (Last 12 Months)

- % of sample
- Intnl Holiday (avg p.a.)
- NZ Short Break (avg p.a.)
- NZ Holiday (avg p.a.)

Graph showing average trips by region of origin, with data for Auckland, Bay of Plenty, Waikato, Manawatu/Wanganui, Wellington, Elsewhere Nth Island, Canterbury, Otago, and Elsewhere Sth Island.
Learnings (Stages 3 & 4)

Average Trips by Personal Income (Last 12 Months)

% of sample

- Intnl Holiday (avg p.a.)
- NZ Short Break (avg p.a.)
- NZ Holiday (avg p.a.)

$0 - $15,000
$15,001 - $25,000
$25,001 - $35,000
$35,001 - $50,000
$50,001 - $70,000
$70,001 or more
Average Trips by Household Income (Last 12 Months)

- % of sample
- Intnl Holiday (avg p.a.)
- NZ Short Break (avg p.a.)
- NZ Holiday (avg p.a.)
Learnings (Stages 3 & 4)

Frequency of Short Domestic Breaks by Favourite Pastimes (Last 12 Months)

- Kakaying/canoeing
- Waterskiing or jetskiing
- Going dancing or to dance classes
- Taking part in Maori cultural groups/performing arts
- Listening to live music at a concert or other venue
- Visiting the home of family or friends in your town/city
- Entertaining friends or family at your home
- Going for drives (not simply to get from A to B)
- Hiking, tramping or mountain climbing
- Cycling or mountain-biking
- Playing other sports
- Boating for fun or to go fishing
- Eating out
- Yoga or meditation
- Shopping
- Updating or communicating with friends/family through blog, personal website or web page on a website

Frequency relative to average
Learnings (Stages 3 & 4)

Frequency of Short Domestic Breaks by Favourite Pastimes (Last 12 Months)

- Reading books
- Going to the theatre, concerts or performing arts shows
- Clubbing/parties
- Surfing or bodyboarding
- Going to markets or fairs
- Playing a musical instrument
- Painting, sculpture or other arts
- Looking after pets, horse-riding or walking a dog
- Watching sports live
- Home maintenance or renovation
- Meeting new people
- Reading magazines
- Visiting gardens, parks, nature reserves or national parks
- Going to a gym or fitness classes
- Playing cards or board games
- Swimming, for fitness or fun
- Running or jogging
- Going to second hand shops and garage/car boot sales
- Involvement in voluntary work/volunteer groups

Frequency relative to average
Learnings (Stages 3 & 4)

Frequency of Short Domestic Breaks by Favourite Pastimes (Last 12 Months)

- Cooking at home for fun
- Going to the movies
- Writing letters or emailing friends or family
- Talking with friends or family on the phone
- Gardening
- Watching videos or DVDs at home
- Listening to music at home
- Watching TV
- Other types of fishing
- Another hobby at home (e.g. knitting, sewing, stamp collecting)
- Playing computer games
- Simply “surfing” online

Frequency relative to average
Learnings (Stages 3 & 4)

Frequency of Short Domestic Breaks by Favourite Pastimes (Last 12 Months)

- Work/business
- Texting friends or family
- Attending church or religious groups
- Working to maintain or ‘do up’ a car or motorcycle
- Playing golf
- Taking language or other classes (e.g. photography, sewing, cooking, vehicle maintenance)
- Reading newspapers
- Downloading music or podcasts from the internet
- Diving
- Taking part in other cultural groups/performing arts
Learnings (Stages 3 & 4)

Frequency of Longer Domestic Holidays by Favourite Pastimes (Last 12 Months)

- Taking part in Maori cultural groups/performing arts
- Waterskiing or jetskiing
- Working to maintain or ‘do up’ a car or motorcycle
- Surfing or bodyboarding
- Writing letters or emailing friends or family
- Updating or communicating with friends/family through blog, personal website or web page on a website
- Downloading music or podcasts from the internet
- Boating for fun or to go fishing
- Going dancing or to dance classes
- Going to second hand shops and garage/car boot sales
- Home maintenance or renovation
- Going to the theatre, concerts or performing arts shows
- Playing other sports
- Reading magazines
- Visiting gardens, parks, nature reserves or national parks
- Going for drives (not simply to get from A to B)

-100% -50% 0% 50% 100% 150% 200% 250%

frequency relative to average
Learnings (Stages 3 & 4)

Frequency of Longer Domestic Holidays by Favourite Pastimes (Last 12 Months)

- Texting friends or family
- Talking with friends or family on the phone
- Kakaying/canoeing
- Swimming, for fitness or fun
- Eating out
- Visiting the home of family or friends in your town/city
- Playing cards or board games
- Going to the movies
- Meeting new people
- Clubbing/parties
- Hiking, tramping or mountain climbing
- Playing a musical instrument
- Other types of fishing
- Involvement in voluntary work/volunteer groups
- Cycling or mountain-biking
- Watching TV
- Gardening
Learnings (Stages 3 & 4)

Frequency of Longer Domestic Holidays by Favourite Pastimes (Last 12 Months)

- Taking language or other classes (e.g. photography, sewing, cooking, vehicle maintenance)
- Yoga or meditation
- Shopping
- Listening to live music at a concert or other venue
- Painting, sculpture or other arts
- Going to a gym or fitness classes
- Watching videos or DVDs at home
- Reading newspapers
- Listening to music at home
- Watching sports live
- Entertaining friends or family at your home
- Looking after pets, horse-riding or walking a dog
Learnings (Stages 3 & 4)

Frequency of Longer Domestic Holidays by Favourite Pastimes (Last 12 Months)

- Playing computer games
- Reading books
- Going to markets or fairs
- Cooking at home for fun
- Attending church or religious groups
- Taking part in other cultural groups/performing arts
- Another hobby at home (e.g. knitting, sewing, stamp collecting)
- Simply “surfing” online
- Running or jogging
- Work/business
- Playing golf
- Diving

The chart shows the frequency of these pastimes relative to the average, with values ranging from -100% to 250%.
Learnings (Stages 3 & 4)

Frequency of Short Domestic Breaks by Property/Asset Ownership (Last 12 Months)

- Technology
  - Twitter account
  - Page on social networking site
  - A mobile phone with internet access
  - An iPod or MP3 player
  - Skype or other VOIP service
  - A personal blog or dedicated personal website
  - A Trade Me, eBay or other online auction website
  - Dial up internet access
  - A digital camera or video-camera
  - Another instant messaging service
  - Broadband internet access
  - A personal email address
  - A laptop and/or other computer
  - A fixed or landline phone
  - A mobile phone without internet access

Frequency relative to average
Learnings (Stages 3 & 4)

Frequency of Short Domestic Breaks by Property/Asset Ownership (Last 12 Months)

- PROPERTY
  - Holiday home(s) with mortgage
  - Holiday home(s) without mortgage
  - Land no mortgage
  - Land with mortgage
  - Investment property without mortgage
  - Own home with mortgage
  - Investment property with mortgage
  - Own home without mortgage
  - No property

- OTHER ASSETS
  - One or more canoes/kayaks
  - Waterskis, skis or other sporting equipment
  - Camping equipment
  - A caravan or motorhome
  - One or more boats
  - One or more motorcycles
  - One or more bikes
  - One or more cars

Frequency relative to average

-40% -20% 0% 20% 40% 60% 80% 100% 120% 140% 160%
Learnings (Stages 3 & 4)

Frequency of Longer Domestic Holidays by Property/Asset Ownership (Last 12 Months)

- Technology
- Twitter account
- A personal blog or dedicated personal website
- Dial up internet access
- An iPod or MP3 player
- Skype or other VOIP service
- A digital camera or video-camera
- A Trade Me, eBay or other online auction website account
- A page on a social networking site
- Another instant messaging service
- A mobile phone without internet access
- Broadband internet access
- A personal email address
- A laptop and/or other computer
- A mobile phone with internet access
- A fixed or landline phone

frequency relative to average
Learnings (Stages 3 & 4)

Frequency of Longer Domestic Holidays by Property/Asset Ownership
(Last 12 Months)

PROPERTY
- Holiday home without mortgage
- Land without mortgage
- Investment property without mortgage
- Land with mortgage
- Holiday home with mortgage
- Own home without mortgage
- No property
- Investment property with mortgage
- Own home with mortgage

OTHER ASSETS
- A caravan or motorhome
- One or more boats
- One or more bikes
- One or more canoes/kayaks
- Camping equipment
- Waterskis, skis or other sporting equipment
- One or more motorcycles
- One or more cars
Learnings (Stages 3 & 4)

Domestic Tourism Market Segmentation
Learnings (Stages 3 & 4)

- Being There: 22%
- Aiming High: 8%
- Creating: 11%
- Embracing Life: 12%
- Making Do: 13%
- Immersing: 13%
- Searching: 13%
- Rewarding: 13%
Learnings (Stages 3 & 4)

Segment Size by Contribution to all Domestic Short Breaks (Last 12 Months)
- Being There: 19%
- Searching: 10%
- Rewarding: 10%
- Immersing: 14%
- Making Do: 10%
- Embracing Life: 14%
- Creating: 10%
- Aiming High: 13%

Segment Size by Contribution to all Longer Domestic Holidays (Last 12 Months)
- Being There: 23%
- Searching: 21%
- Rewarding: 8%
- Immersing: 11%
- Making Do: 5%
- Embracing Life: 10%
- Creating: 9%
- Aiming High: 12%
BEING THERE

Size: 22% of the adult population

Demographic Characteristics: Likely to be older age groups, empty nesters, female bias, many live alone, under-represented in Auckland

Travel Characteristics: International travel (+), domestic short breaks (-), longer domestic holidays (+)

Key Interests: Gardening, visiting gardens, writing letters, talking to friends/family on the phone, church, volunteer work

Priorities: Health, paying bills, time with family/friends, travel and holidays, social/community groups

Travel Interests: VFR, sightseeing, shopping, natural attractions, walking/hiking, culture/heritage attractions

Key Destination Characteristics: Safe, familiar and affordable

Travel Barriers: Health/disability, travel companions

Core Marketing Proposition: Being with family and friends.

Marketing Channels: Major daily newspapers, special interest media (e.g. gardening channels/magazines/groups), affinity groups (churches, Rotary, Probus, other voluntary groups), targeted online channels (including news sites, Skype, online auction sites) and targeted email marketing.

Marketing Opportunities: Day trip/short break (activity and event-related); VFR campaigns; garden/nature product/events; history/heritage product/events; concert/theatre/performing arts product/events; small group (special interest) tours; assisted travel (transport, accommodation); cruise product.
SEARCHING

**Segment Size:** 13% of the adult population

**Demographic Characteristics:** Likely to be younger age groups, single, no children, many students, live at home/in flats, under-represented in provincial South Island towns

**Travel Characteristics:** International travel (+), domestic short breaks (-), longer domestic holidays (+)

**Key Interests:** Computer games, online gaming, watching DVDs, texting family and friends, downloading music and updating friends on social networking sites such as Facebook.

**Priorities:** Having a good time, finding direction, learning a new skill or trade, improving their education

**Travel Interests:** Beaches, shopping, sports, night life

**Key Destination Characteristics:** Exciting, different, entertaining, challenging (but still familiar)

**Travel Barriers:** Knowledge, transport options, travel companions

**Core Marketing Proposition:** Freedom and good times with friends

**Marketing Channels:** Online/web2.0; youth media; educational interest groups/institutions; events/parties; mobile apps; cinema

**Marketing Opportunities:** Adventure product; sports product; ‘Contiki’-style domestic product; urban activities; youth related events
Size: 13% of the adult population

Demographic Characteristics: Strong male bias, likely to be middle to older age groups, couples with no children, empty nesters, over-represented in Auckland

Travel Characteristics: International leisure travel (+), domestic short breaks (-), longer domestic holidays (-)

Key Interests: Watching TV, eating out, playing golf

Priorities: Personal relationships, career/business, travel, building assets, reducing debt

Travel Interests: Eating out, playing golf, wine and food experiences.

Key Destination Characteristics: Romantic

Travel Barriers: Work commitments, annual leave

Core Marketing Proposition: You work hard, you deserve it

Marketing Channels: Business Media, special interest groups and clubs, Auckland specific media, TV sports/news channels, live sports events

Marketing Opportunities: Short breaks; Golf product; indulgence/pampering, wellness product; romantic breaks; sporting events; food and wine experiences; cruise product.
IMMERSING

Size: 13% of the adult population

Demographic Characteristics: Female bias, single or couples without children, live alone or in flats with others, over-represented in Wellington, under-represented in provincial North Island towns

Travel Characteristics: International travel (-), short domestic breaks (+), longer domestic holidays (=)

Key Interests: Many and varied. Include listening to music, watching DVDs at home, cooking for fun, eating out, looking after pets, painting, swimming, visiting gardens, going to the theatre, playing musical instruments, reading books and magazines, entertaining at home, hiking and going to markets and fairs

Priorities: Financial commitments, building career, furthering education, finding direction

Travel Interests: A complex mix of scenery, nature, cuisine, heritage, time with family and friends

Key Destination Characteristics: Peaceful, affordable, relaxing, welcoming, entertaining, different

Travel Barriers: Annual leave, money, work commitments

Core Marketing Proposition: Expand your mind, add to your experience, enrich yourself

Marketing Channels: Special interest and lifestyle media, online lifestyle channels, professional media/interest groups, tertiary education institutes.

Marketing Opportunities: Product involving nature, health, wellness, culture, arts, music, heritage, wildlife, food and wine; interactive experiences
**MAKING DO**

**Size:** 12% of the adult population

**Demographic Characteristics:** Likely to be middle age groups, female bias, households with children, over-representation of solo parents, under-represented in Auckland and over-represented in provincial North Island towns

**Travel Characteristics:** International travel (-), short domestic breaks (-), longer domestic holidays (-)

**Key Interests:** Watching TV, playing computer games and surfing online, keeping in touch with family and friends over the telephone or by text, visiting family and friends in their home town, watching DVDs, listening to music, playing board games, looking after a pet, cooking for fun, going shopping and visiting parks. Particular interest in going for drives and visiting second hand shops.

**Priorities:** Paying the bills, raising a family, health, spending time with family/friends, reducing debt

**Travel Interests:** Beaches, outdoor and nature-based activities, particularly those involving animals

**Key Destination Characteristics:** Family-friendly, easy, affordable, safe, peaceful, welcoming

**Travel Barriers:** Money, care responsibilities

**Core Marketing Proposition** - You deserve a break

**Marketing Channels** - Women’s magazines, general and lifestyle media, daytime TV/Radio, fairs/markets

**Marketing Opportunities** – Family-friendly product; nature based product (especially involving animals); product with childcare facilities; anything affordable and easy.
EMBRACING LIFE

Size: 11% of the adult population

Demographic Characteristics: Likely to be middle age groups, families with children at home, male bias, high income, under-represented in provincial North Island towns

Travel Characteristics: International travel (=), short domestic breaks (+), longer domestic holidays (=)

Key Interests: Cycling and mountain biking, hiking and tramping, kayaking, boating for fun and all types of fishing, live sport, home renovation and entertaining at home

Priorities: Raising family, personal relationships, building career/business, building assets, travel, spending time with family and friends, reducing debt

Travel Interests: Outdoor and nature-based experiences, scenery and landscapes, culture and heritage, food and wine (all shared with family/friends)

Key Destination Characteristics: Family-friendly, relaxing, romantic

Travel Barriers: Annual leave, work commitments, care responsibilities, suitability for children

Core Marketing Proposition: A FULL life (for you and your family)

Marketing Channels: Business media, special interest media/online (e.g. golf, outdoor, boating, fishing), newspapers, boating/fishing/outdoor events/shows/fairs

Marketing Opportunities: Outdoor/adventure experiences for the whole family; food and wine product; cultural product; heritage experiences.
CREATING

Size: 8% of the adult population

Demographic Characteristics: Female bias, likely to be young to middle age, many live with extended family members, very high proportion of non-European descent (Maori, Pacific Island, Asian), underrepresented in Otago and provincial South Island

Travel Characteristics: International travel (-), short domestic breaks (+), longer domestic holidays (+)

Key Interests: Texting family and friends, talking with family and friends by phone, keeping in touch by email and letter, updating friends/family via Facebook, visiting friends and family, entertaining at home, watching DVDs at home, listening to music, going to live music, playing music, participation in performing arts

Priorities: Raising family, financial objectives, health, career, building assets, community groups

Travel Interests: Spending time with family/friends, walking, water activities and beaches, culture and heritage, shopping, nature-based activities

Key Destination Characteristics: Family-friendly, familiar, romantic, exciting, welcoming, challenging

Travel Barriers: Care responsibilities and suitability for children

Core Marketing Proposition: Good times to share with family

Marketing Channels: Special interest groups/media (e.g. cultural focus), online channels, targeted lifestyle media, cultural and community events

Marketing Opportunity: Social experiences; events/concerts/festivals; beaches/nature product; camping, picnics/outdoor cooking; group accommodation; history and heritage; cultural product.
AIMING HIGH

Size: 8% of the adult population

Demographic Characteristics: Likely to be younger age groups, many students, many living at home or in flats, high-income households, over-represented in Auckland

Travel Characteristics: International travel (+), domestic short breaks (+), longer domestic holidays (+)

Key Interests: Texting family and friends, keeping in touch via Facebook, downloading music, eating out, tramping, boating, going to concerts and performing arts, going to the movies, listening to live music, surfing, waterskiing, diving, kayaking, swimming, going to the gym, yoga and meditation, cycling and mountain biking, going to dance classes, meeting new people, playing sports and watching live sports

Priorities: Having a good time, finding direction, fitness, travel, sport/hobbies, career, education

Travel Interests: Beaches, big cities, nightlife, shopping, sporting activities, outdoor activities, wellness and food and wine.

Key Destination Characteristics: Exciting, entertaining, challenging, different

Travel Barriers: Annual leave, work commitments, transport, travel companions

Core Marketing Proposition - More, bigger, best!

Marketing Channels - Youth media, special interest media (e.g. surfing, skiing etc.), Online channels, interest groups and clubs, cinema.

Marketing Opportunities - Adventure and sports product; youth/sporting/adventure events; urban product; wellness.
Learnings (Stages 3 & 4)

Accommodation Use By Segment - Longer Domestic Holiday

- **Being There**: 47%Owned dwellings - private, 31%Motels/Serviced Apartments, 14%Holiday parks/Campgrounds, 11%Hotels, 9%Holiday parks/Campgrounds, 10%Other accommodation
- **Searching**: 43%Owned dwellings - private, 12%Motels/Serviced Apartments, 10%Holiday parks/Campgrounds, 16%Hotels, 3%Holiday parks/Campgrounds, 13%Other accommodation
- **Rewarding**: 61%Owned dwellings - private, 19%Motels/Serviced Apartments, 7%Holiday parks/Campgrounds, 14%Hotels, 12%Holiday parks/Campgrounds, 2%Other accommodation
- **Immersing**: 61%Owned dwellings - private, 20%Motels/Serviced Apartments, 8%Holiday parks/Campgrounds, 12%Hotels, 10%Holiday parks/Campgrounds, 7%Other accommodation
- **Making Do**: 50%Owned dwellings - private, 18%Motels/Serviced Apartments, 15%Holiday parks/Campgrounds, 8%Hotels, 13%Holiday parks/Campgrounds, 11%Other accommodation
- **Embracing Life**: 44%Owned dwellings - private, 19%Motels/Serviced Apartments, 28%Holiday parks/Campgrounds, 11%Hotels, 14%Holiday parks/Campgrounds, 9%Other accommodation
- **Creating**: 44%Owned dwellings - private, 25%Motels/Serviced Apartments, 13%Holiday parks/Campgrounds, 9%Hotels, 8%Holiday parks/Campgrounds, 20%Other accommodation
- **Aiming High**: 45%Owned dwellings - private, 15%Motels/Serviced Apartments, 20%Holiday parks/Campgrounds, 19%Hotels, 14%Holiday parks/Campgrounds, 6%Other accommodation

- **Domestic Holiday**: Owned dwellings - private, Motels/Serviced Apartments, Holiday parks/Campgrounds, Hotels, Other accommodation
Learnings (Stages 3 & 4)

Transport Use By Segment - Short Break

- **Being There**: 84% (Private/Company Car 16%, Airline 5%, Scheduled bus service 5%, Rental car/van 5%, Shuttle bus 5%, Taxi/limousine/car tour 5%, Commercial ferry/boat 5%, Private campervan/motorhome 5%, Coach tour/tour coach 5%, Shuttle taxi 5%)
- **Searching**: 71% (Private/Company Car 17%, Airline 12%, Scheduled bus service 13%, Rental car/van 13%, Shuttle bus 13%, Taxi/limousine/car tour 13%, Commercial ferry/boat 13%, Private campervan/motorhome 13%, Coach tour/tour coach 13%, Shuttle taxi 13%)
- **Rewarding**: 79% (Private/Company Car 19%, Airline 6%, Scheduled bus service 5%, Rental car/van 5%, Shuttle bus 5%, Taxi/limousine/car tour 5%, Commercial ferry/boat 5%, Private campervan/motorhome 5%, Coach tour/tour coach 5%, Shuttle taxi 5%)
- **Immersing**: 84% (Private/Company Car 17%, Airline 6%, Scheduled bus service 5%, Rental car/van 5%, Shuttle bus 5%, Taxi/limousine/car tour 5%, Commercial ferry/boat 5%, Private campervan/motorhome 5%, Coach tour/tour coach 5%, Shuttle taxi 5%)
- **Making Do**: 81% (Private/Company Car 11%, Airline 4%, Scheduled bus service 3%, Rental car/van 3%, Shuttle bus 3%, Taxi/limousine/car tour 3%, Commercial ferry/boat 3%, Private campervan/motorhome 3%, Coach tour/tour coach 3%, Shuttle taxi 3%)
- **Embracing Life**: 84% (Private/Company Car 20%, Airline 3%, Scheduled bus service 2%, Rental car/van 2%, Shuttle bus 2%, Taxi/limousine/car tour 2%, Commercial ferry/boat 2%, Private campervan/motorhome 2%, Coach tour/tour coach 2%, Shuttle taxi 2%)
- **Creating**: 92% (Private/Company Car 17%, Airline 2%, Scheduled bus service 2%, Rental car/van 2%, Shuttle bus 2%, Taxi/limousine/car tour 2%, Commercial ferry/boat 2%, Private campervan/motorhome 2%, Coach tour/tour coach 2%, Shuttle taxi 2%)
- **Aiming High**: 77% (Private/Company Car 24%, Airline 8%, Scheduled bus service 8%, Rental car/van 8%, Shuttle bus 8%, Taxi/limousine/car tour 8%, Commercial ferry/boat 8%, Private campervan/motorhome 8%, Coach tour/tour coach 8%, Shuttle taxi 8%)
Learnings (Stages 3 & 4)

Transport Use By Segment - Longer Domestic Holiday

<table>
<thead>
<tr>
<th>Stage</th>
<th>Percentage</th>
<th>Private/Company Car</th>
<th>Airline</th>
<th>Rental car/van</th>
<th>Scheduled bus service</th>
<th>Commercial ferry/boat</th>
<th>Cruise ship</th>
<th>Train</th>
<th>Private campervan/motorhome</th>
<th>Coach tour/tour coach</th>
<th>Shuttle bus</th>
<th>Taxi/limousine/car tour</th>
<th>Bicycle</th>
<th>Motorbike/scooter</th>
<th>Shuttle taxi</th>
<th>Rental campervan/motorhome</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>Being There</td>
<td>74%</td>
<td></td>
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</tr>
<tr>
<td>Searching</td>
<td>57%</td>
<td>29%</td>
<td>6%</td>
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<tr>
<td>Rewarding</td>
<td>81%</td>
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</tr>
<tr>
<td>Immersing</td>
<td>86%</td>
<td>25%</td>
<td>6%</td>
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<tr>
<td>Making Do</td>
<td>93%</td>
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</tr>
<tr>
<td>Embracing Life</td>
<td>86%</td>
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<tr>
<td>Creating</td>
<td>80%</td>
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</tr>
<tr>
<td>Aiming High</td>
<td>78%</td>
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</tr>
</tbody>
</table>
Learnings (Stages 3 & 4)

Activities & Attractions By Segment - Short Break

- **Being There**
  - Sightseeing independently: 52%
  - Shopping: 51%
  - Nightlife, Café, Restaurant, Urban Attractions: 27%
  - Visiting Natural Attractions, Gardens, Reserves: 30%
  - Walking, Hiking, Trekking: 29%
  - Other: 1%

- **Searching**
  - Sightseeing independently: 45%
  - Shopping: 42%
  - Nightlife, Café, Restaurant, Urban Attractions: 31%
  - Visiting Natural Attractions, Gardens, Reserves: 21%
  - Walking, Hiking, Trekking: 27%
  - Other: 7%

- **Rewarding**
  - Sightseeing independently: 42%
  - Shopping: 32%
  - Nightlife, Café, Restaurant, Urban Attractions: 45%
  - Visiting Natural Attractions, Gardens, Reserves: 26%
  - Walking, Hiking, Trekking: 25%
  - Other: 17%

- **Immersing**
  - Sightseeing independently: 49%
  - Shopping: 47%
  - Nightlife, Café, Restaurant, Urban Attractions: 42%
  - Visiting Natural Attractions, Gardens, Reserves: 43%
  - Walking, Hiking, Trekking: 38%
  - Other: 13%

- **Making Do**
  - Sightseeing independently: 44%
  - Shopping: 45%
  - Nightlife, Café, Restaurant, Urban Attractions: 26%
  - Visiting Natural Attractions, Gardens, Reserves: 29%
  - Walking, Hiking, Trekking: 23%
  - Other: 4%

- **Embracing Life**
  - Sightseeing independently: 51%
  - Shopping: 45%
  - Nightlife, Café, Restaurant, Urban Attractions: 43%
  - Visiting Natural Attractions, Gardens, Reserves: 46%
  - Walking, Hiking, Trekking: 47%
  - Other: 21%

- **Creating**
  - Sightseeing independently: 48%
  - Shopping: 46%
  - Nightlife, Café, Restaurant, Urban Attractions: 23%
  - Visiting Natural Attractions, Gardens, Reserves: 43%
  - Walking, Hiking, Trekking: 43%
  - Other: 33%

- **Aiming High**
  - Sightseeing independently: 43%
  - Shopping: 42%
  - Nightlife, Café, Restaurant, Urban Attractions: 45%
  - Visiting Natural Attractions, Gardens, Reserves: 29%
  - Walking, Hiking, Trekking: 36%
  - Other: 35%
Learnings (Stages 3 & 4)

Activities & Attractions By Segment - Longer Domestic Holiday

- **Being There**
  - 76% Sightseeing independently
  - 64% Shopping
  - 56% Visiting Natural Attractions, Gardens, Reserves
  - 47% Walking, Hiking, Trekking
  - 40% Nightlife, Café, Restaurant, Urban Attractions
  - 23% Water activities

- **Searching**
  - 39% Art galleries, museums, historic & cultural
  - 53% Visiting theme parks or family attractions
  - 34% Other wine or food experiences
  - 36% Other adventure or sports activities
  - 27% Sightseeing on an organised tour

- **Rewarding**
  - 52% Viewed, interacting with local culture
  - 46% Attending concerts, events
  - 35% Ice or snow activities
  - 36% Flying, air activities

- **Immersing**
  - 72% Ice or snow activities
  - 68% Flying, air activities
  - 49% Wellness experiences
  - 53% Ice or snow activities

- **Making Do**
  - 53% Sightseeing on an organised tour
  - 62% Ice or snow activities
  - 52% Flying, air activities
  - 26% Wellness experiences

- **Embracing Life**
  - 58% Ice or snow activities
  - 52% Flying, air activities
  - 62% Wellness experiences
  - 55% Ice or snow activities

- **Creating**
  - 64% Ice or snow activities
  - 51% Flying, air activities
  - 54% Wellness experiences
  - 52% Ice or snow activities

- **Aiming High**
  - 50% Ice or snow activities
  - 58% Flying, air activities
  - 39% Wellness experiences
  - 46% Ice or snow activities

ANGUS & ASSOCIATES/ THE KNOWLEDGE WAREHOUSE/ TOURISM RESOURCE CONSULTANTS
Learnings (Stages 3 & 4)

Travel Aspirations

- More overseas holidays
- More longer domestic holidays
- More short domestic breaks

- Being There
- Searching
- Rewarding
- Immersing
- Making Do
- Embracing Life
- Creating
- Aiming High

Percentage of travel aspirations across different stages.
Learnings (Stages 3 & 4)

Attitudes Towards NZ as a Destination

- I will always want to holiday in New Zealand no matter what else I do
- New Zealand is a good place for families with children to holiday
- Older people feel most comfortable holidaying in New Zealand
- As a holiday destination, New Zealand has lots to offer young people
- I’m a strong advocate for New Zealand as a place to holiday
- New Zealand’s landscape makes it a unique holiday destination

Neutral | 0.5 | 1 | 1.5 | 2 | Agree Strongly

Angus & Associates/ The Knowledge Warehouse/ Tourism Resource Consultants
Learnings (Stages 3 & 4)

Travel Barriers - Domestic Short Breaks

- Being There
- Searching
- Rewarding
- Immersing
- Making Do
- Embracing Life
- Creating
- Aiming High

- Money
- Other work commitments
- Amount of annual leave I have available
- Care responsibilities (for a child, other family member or friend)
- Someone to go with/travelling companion(s)
- My health or the health of someone else
- Transport
- Knowledge about where to go/what to do
- Confidence to go and do it
- A physical disability (mine or that of someone else)
- Not suitable with/for my children
Learnings (Stages 3 & 4)

Travel Barriers - Longer NZ Holidays

- Being There
- Searching
- Rewarding
- Immersing
- Making Do
- Embracing Life
- Creating
- Aiming High

- Money
- Other work commitments
- Amount of annual leave I have available
- Someone to go with/travelling companion(s)
- Care responsibilities (for a child, other family member or friend)
- My health or the health of someone else
- Transport
- Knowledge about where to go/what to do
- Confidence to go and do it
- Not suitable with/for my children
- A physical disability (mine or that of someone else)
<table>
<thead>
<tr>
<th>Characteristics (Bias) by Segment</th>
<th>Being There</th>
<th>Searching</th>
<th>Rewarding</th>
<th>Immersing</th>
<th>Making Do</th>
<th>Embracing Life</th>
<th>Creating</th>
<th>Aiming High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Size of segment</td>
<td>22 %</td>
<td>13 %</td>
<td>13 %</td>
<td>13 %</td>
<td>12 %</td>
<td>11 %</td>
<td>8 %</td>
<td>8 %</td>
</tr>
<tr>
<td>Gender</td>
<td>Female Bias</td>
<td>Slight Male Bias</td>
<td>Strong Male Bias</td>
<td>Female Bias</td>
<td>Male Bias</td>
<td>Slight Male Bias</td>
<td>Male Bias</td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>Oldest 60+</td>
<td>Youngest 15-24</td>
<td>Working Age 25-64</td>
<td>Younger 20-34</td>
<td>Middle Aged 30-54</td>
<td>Middle Aged 35-49</td>
<td>Middle Aged 25-49</td>
<td>Young 15-24</td>
</tr>
<tr>
<td>Place of Residence</td>
<td>Bias away from Auckland</td>
<td>Evenly Spread</td>
<td>Auckland Wellington</td>
<td>Regional Not Big Cities</td>
<td>Auckland, Wgtn Other South Island</td>
<td>North Island</td>
<td>Auckland</td>
<td></td>
</tr>
<tr>
<td>Occupation</td>
<td>Retired</td>
<td>Student</td>
<td>Manager, Professional, Technical</td>
<td>Professional, Admin, Student</td>
<td>Home worker, Admin</td>
<td>Professional, Manager</td>
<td>Home worker, Professional, Admin</td>
<td>Student, Professional</td>
</tr>
<tr>
<td>Personal Income</td>
<td>Low $17-28k</td>
<td>Low &lt;$10k</td>
<td>Higher $45-85k</td>
<td>Average $25-70k</td>
<td>Low &lt;$35k</td>
<td>High $50-100+</td>
<td>Varied $15-70K</td>
<td>Low &lt;$15 or $30-50K</td>
</tr>
<tr>
<td>Household Income</td>
<td>Low $20-30k</td>
<td>Varied to Higher</td>
<td>High $85-175k</td>
<td>Average</td>
<td>Average to Low</td>
<td>High $85+</td>
<td>Average</td>
<td>High $100+</td>
</tr>
</tbody>
</table>
## Learnings (Stages 3 & 4)

<table>
<thead>
<tr>
<th>Characteristics (Bias) by Segment</th>
<th>Being There</th>
<th>Searching</th>
<th>Rewarding</th>
<th>Immersing</th>
<th>Making Do</th>
<th>Embracing Life</th>
<th>Creating</th>
<th>Aiming High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shortcomings of NZ vs Ideal</td>
<td>Different</td>
<td>Affordable, Entertaining Exciting, Different, Shopping, Big Cities</td>
<td>Entertaining, Different, Big Cities</td>
<td>Affordable, Entertaining, Different, History/Heritage</td>
<td>Affordable, Relaxing, Different</td>
<td>Different</td>
<td>Different, Affordable</td>
<td>Affordable, Relaxing, Different, Nightlife, Shopping, Big Cities</td>
</tr>
<tr>
<td>Most desirable NZ destinations</td>
<td>Bay of Islands, Nelson, Marlborough, Golden Bay</td>
<td>Bay of Plenty, Coromandel, Christchurch</td>
<td>Bay of Islands, Marlborough, Fiordland</td>
<td>Bay of Islands, Coromandel, Fiordland, Golden Bay, Nelson</td>
<td>Far North, Bay of Islands, Nelson, Fiordland</td>
<td>Bay of Islands, Golden Bay, Marlborough, Fiordland</td>
<td>Bay of Islands, Lake Wanaka, West Coast, Christchurch</td>
<td>Nelson, Queenstown, Golden Bay, Coromandel, Bay of Plenty</td>
</tr>
<tr>
<td>Number of Short Trips (last 12 months)</td>
<td>1.6</td>
<td>1.4</td>
<td>1.5</td>
<td>2.2</td>
<td>1.6</td>
<td>2.5</td>
<td>2.3</td>
<td>3.1</td>
</tr>
<tr>
<td>Number of Longer Holidays (last 12 months)</td>
<td>0.7</td>
<td>1.0</td>
<td>0.4</td>
<td>0.6</td>
<td>0.3</td>
<td>0.6</td>
<td>0.7</td>
<td>1.0</td>
</tr>
<tr>
<td>Number of Overseas Holidays (last 12 months)</td>
<td>0.6</td>
<td>0.5</td>
<td>0.4</td>
<td>0.3</td>
<td>0.1</td>
<td>0.4</td>
<td>0.2</td>
<td>0.7</td>
</tr>
<tr>
<td>Travel Barriers</td>
<td>Health, Disability, Travel Companion</td>
<td>Travel Companion, Transport, Confidence, Knowledge</td>
<td>Work Commitments, Annual Leave</td>
<td>Money, Work Commitments, Annual Leave, Confidence</td>
<td>Money, Work Responsibilities, Suitability for Children</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

ANGUS & ASSOCIATES/ THE KNOWLEDGE WAREHOUSE/ TOURISM RESOURCE CONSULTANTS
<table>
<thead>
<tr>
<th>MARKETING STRATEGY</th>
<th>Being There</th>
<th>Searching</th>
<th>Rewarding</th>
<th>Immersing</th>
<th>Making Do</th>
<th>Embracing Life</th>
<th>Creating</th>
<th>Aiming High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Core Marketing Proposition</td>
<td>Being with family and friends</td>
<td>Freedom and good times with friends</td>
<td>You work hard, you deserve it</td>
<td>Expand your mind, add to your experiences, enrich your life</td>
<td>You deserve a break</td>
<td>A FULL life (for you and your family)</td>
<td>Good times to share with your family</td>
<td>More, bigger, best!</td>
</tr>
<tr>
<td>Marketing Channels</td>
<td>- Major dailies</td>
<td>- Online, Web 2.0</td>
<td>- Business media</td>
<td>- Special interest and lifestyle media (e.g. health media, yoga/wellness media)</td>
<td>- Women's magazines</td>
<td>- Business media</td>
<td>- Special interest groups/media (e.g. cultural groups, cultural media)</td>
<td>- Youth media</td>
</tr>
<tr>
<td></td>
<td>- Special interest (e.g.</td>
<td>- Youth media</td>
<td>- Special interest groups/media/onlin e</td>
<td>- Online channels (travel/lifestyle)</td>
<td>- General and lifestyle media</td>
<td>- Special interest media/online(e.g.</td>
<td>- Online channels</td>
<td>- Special interest media (e.g.</td>
</tr>
<tr>
<td></td>
<td>gardening channels/mags/groups)</td>
<td>- Educational interest groups/ institutions</td>
<td>- (e.g. golf clubs, golf magazines, golf websites)</td>
<td>- Professional media/interest groups</td>
<td>- TV/Radio Daytime</td>
<td>golf, outdoor-focused, boating/fishing)</td>
<td>- Targeted lifestyle media</td>
<td>skiing, boarding)</td>
</tr>
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<td></td>
<td>- Affinity groups (e.g. churches, Rotary, Probus, other voluntary groups)</td>
<td>- Events/Parties</td>
<td>- Auckland-specific specific</td>
<td>- Tert. Education Institutes</td>
<td>- Fairs/Market</td>
<td>Newspapers (major dailies)</td>
<td>- Cultural and Community events</td>
<td>- Online channels</td>
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<td></td>
<td>- Targeted online channels (e.g. news sites, Skype, online auction sites)</td>
<td>- Mobile Apps</td>
<td>- TV Sports/News Channels</td>
<td>- Women's magazines</td>
<td>- Boating/Fishing</td>
<td>- Boating/Fishing</td>
<td>- Cinema</td>
<td>- Interest groups (sports clubs, other affinity groups)</td>
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<td></td>
<td>- Email Marketing</td>
<td>- Cinema</td>
<td>- Live sports events</td>
<td>- Special interest media (e.g. health media, yoga/wellness media)</td>
<td>- Outdoor events/show</td>
<td>- Outdoor events/show</td>
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<td>Key Marketing Opportunities</td>
<td>- Day trip/short break (activity and event-related)</td>
<td>- Contiki-style domestic product (including travel with experiences and opportunities to meet new people)</td>
<td>- Short breaks</td>
<td>- Nature, health, wellness, cultural, artistic, musical, heritage, wildlife, food and wine product – all with an interactive and educational focus Workshops Hiking groups/ routes (including catered)</td>
<td>- Family-friendly product (theme parks and family experiences)</td>
<td>- Outdoor adventures/ experiences for the whole family (e.g. cycling, fishing, canoeing, kayaking, adventure sports, boating, fishing, beaches)</td>
<td>- Social/shared experiences</td>
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<td>- VFR campaigns (friend get friend)</td>
<td>- Urban activities (nightlife)</td>
<td>- Golf product Indulgence/ pampering (accommodation, wellness experiences)</td>
<td>- Nature-based product (animals)</td>
<td>- Food and wine experiences (events, vineyard tours)</td>
<td>- Affordable and easy</td>
<td>- Events/concerts/ festivals</td>
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<td>- Garden/nature product/events</td>
<td>- Youth-related events (online gaming and sports competitions, sports exhibitions)</td>
<td>- Romantic weekends/short breaks</td>
<td>- Accommodation and experiences with childcare assistance/ facilities (e.g. kids' clubs)</td>
<td>- Outdoor activities (events, vineyard tours)</td>
<td>- Beaches/nature product</td>
<td>- Urban product (nightlife, bars/ cafes/music events)</td>
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<tr>
<td></td>
<td></td>
<td>- History/heritage</td>
<td>- Adventure product</td>
<td>- Fashion events/ shows</td>
<td>- Affordable and easy</td>
<td>- Cruise product</td>
<td>- Camping</td>
<td>- History and heritage</td>
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<td></td>
<td></td>
<td>- Concert/theatre &amp; performing arts</td>
<td>- Sports product</td>
<td>- Sports events/ shows (e.g. motoring, golf)</td>
<td>- Nature-based product (animals)</td>
<td>- Heritage events/ experiences</td>
<td>- Picnics/ outdoor cooking</td>
<td>- Cultural product</td>
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<td></td>
<td>- Small group tours (special interest)</td>
<td>- Food and wine experiences (events, vineyard tours)</td>
<td>- Food and wine experiences (events, vineyard tours)</td>
<td>- Affordable and easy</td>
<td>- Heritage events/ experiences</td>
<td>- Group accommodation</td>
<td>- Wellness experiences</td>
</tr>
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<td></td>
<td>- Assisted travel (transport, accommodation)</td>
<td>- Cruise product</td>
<td>- Food and wine experiences (events, vineyard tours)</td>
<td>- Affordable and easy</td>
<td>- Heritage events/ experiences</td>
<td>- History and heritage</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>- Cruise product</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>- Cultural product</td>
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</tr>
</tbody>
</table>
Learnings (Stages 3 & 4)

For each segment:

- Gender profile
- Age profile
- Lifecycle profile
- Household composition
- Children in household
- Education
- Occupation
- Personal income
- Household income
- Sources of income
- Region of origin
- Ethnicity
- Property owned
- Consumables owned/available
- Technology use

- Life priorities
- Interests
- Favourite pastimes
- Thoughts on holidays
- Ideal holiday destination
- Ideal holiday activities
- Thoughts on Destination NZ
- Rating of NZ on ideal holiday attributes/activities
- Knowledge of and interest in a range of NZ destinations
- Travel aspirations
- Travel barriers
Learnings (Stages 3 & 4)

For each segment and for each type of trip

- Country/region visited
- Activities/experiences undertaken
- Transport used
- Accommodation used
- Travel party composition
- Role in planning trip
- Planning timeframes
- Travel triggers
- People contributing ideas during planning
- Other influences on trip planning
- Travel motivations
- Role in paying for trip
- How trip was paid for
Application

STAGE 1: FOUNDATION
Secondary Research and Analysis

STAGE 2: UNDERSTANDING
Qualitative Research

STAGE 3: MEASUREMENT
Online Survey

STAGE 4: ANALYSIS
Market Segmentation

STAGE 5: APPLICATION
Tourism Marketing in Context

Marketing Influences (Mix)

- **TRAVEL ORGANISERS** (Tour Operators, Travel Agents)
- **ORIGIN MARKET DEMAND – VISITOR SEGMENTS**
- **TRANSPORT** (Air, Private Car, Coach)
- **GOVERNMENT** (National, Local, Planners, Legislation)
- **DESTINATION ORGANISATIONS** (RTOs etc)
- **DESTINATION PRODUCT SUPPLY** (Attractions, Accommodation, etc)

DESTINATION PRODUCT SUPPLY

**ORIGIN MARKET DEMAND – VISITOR SEGMENTS**
Applying Market Segmentation

A three stage process - STP

**SEGMENTING**
- Dividing the market into distinctive groups described as segments

**TARGETING**
- Selecting a segment or several segments to target

**POSITIONING**
- Developing a marketing strategy that positions a product to **appeal** to target segments (and **differentiates** it from competitive product)
Applying Market Segmentation

DILBERT’S MARKETING WISDOM

IF EVERYONE EXPOSED TO A PRODUCT LIKES IT, THE PRODUCT WILL NOT SUCCEED.

THE REASON THAT A PRODUCT "EVERYONE LIKES" WILL FAIL IS BECAUSE NO ONE "LOVES" IT.
Applying Market Segmentation
Applying Market Segmentation

Strategy - Classic Ansoff Matrix

- Present Market Penetration
- Present Product Development
- New Market Development
- New Diversification

ANGUS & ASSOCIATES/ THE KNOWLEDGE WAREHOUSE/ TOURISM RESOURCE CONSULTANTS
Applying Market Segmentation

Push Factors
- Decision to travel
  - Evaluations of alternatives from awareness set of destinations
    - Final destination selection
      - Tourism experience
        - Recollection, Evaluation, Memories, Stories

Pull Factors
- Personality
  - Motivations
    - Culture
      - Life Experiences
      - Gender
      - Health
      - Education

Image Modification
- Information Search
Applying Market Segmentation

Market Coverage

‘The Domestic Tourist’

Can cover the market with several products or specialise in one product for all!
Applying Market Segmentation

Simple Market Segmentation

e.g. ‘Older Adults’

Can cover certain segments with several products or specialise in one product for all!
Applying Market Segmentation

Multi-level Market Segmentation

e.g. ‘Being There’ or ‘Rewarding’

Can provide one or several products for one or several segments
Applying Market Segmentation

Classic Service Marketing Mix

- Physical Evidence (Environment)
- Process (Delivery)
- Place (Distribution)
- Product Features
- Pricing
- Promotion

Segment Strategy
Tourism & Destination Marketing Mix

Applying Market Segmentation

Segment Strategy

- Product Features
- Pricing
- Packaging
- Programming
- Promotion
- Place (Destination) (Location) (Distance)
- Partnership
- People
On the research: -

A full report is available, incorporating an overview of the market segmentation and detailed segment profiles - www.tourismresearch.govt.nz/domseg